

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	
OF CHRISTIAN COUNTY WATER)	CASE NO. 2004-00024
DISTRICT)	

O R D E R

On January 20, 2004, Christian County Water District ("Christian County") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.012 and 807 KAR 5:068.

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Christian County purchases water from the Hopkinsville Water Environment Authority ("Hopkinsville").

2. Hopkinsville notified Christian County that effective with the Order issued on December 17, 2003 by the Commission in Case No. 2003-00087,¹ its wholesale water rates would increase and its rate design would be changed. Hopkinsville's rate design would change from a flat rate design to a four-step declining block design. This results in an increased cost in purchased water of \$67,723.79. Christian County's application miscalculated the increased cost in purchased water. Christian County proposes to increase the water rates to its customers effective with the date of this Order.

¹ Case No. 2003-00087, The Investigation of The Hopkinsville Water Environment Authority's Wholesale Rate to Christian County Water District.

3. During the 12 months ending December 31, 2003, Christian County purchased a total of 387,194,550 gallons of water and sold 270,493,762 gallons. The increase in the cost of purchased water is \$67,723.79. The result is a purchased water adjustment of \$0.25 per 1,000 gallons rather than Christian County's proposed adjustment of \$0.21 per 1,000 gallons.

4. The rates proposed by Christian County should be denied.

5. The purchased water adjustment of \$0.25 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The proposed rates by Christian County are denied.

2. The purchased water adjustment of \$0.25 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services rendered on and after the date of this Order.

3. Within 20 days of the date of this Order, Christian County shall file with the Commission revised tariff sheets showing the rates approved herein.

4. Christian County shall notify its customers of the increase in rates no later than the rendering of the first bill at the increased rate.

Done at Frankfort, Kentucky, this 19th day of February, 2004.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2004-00024 DATED February 19, 2004

The following rates and charges are prescribed for the customers in the area served by Christian County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8 Inch Meter

First	0 gallons	\$ 15.00	Minimum bill
All Over	0 gallons	4.75	per 1,000 gallons

1 Inch Meter

First	5,000 gallons	\$ 38.75	Minimum bill
All Over	5,000 gallons	4.75	per 1,000 gallons

1 ½ Inch Meter

First	10,000 gallons	\$ 62.50	Minimum bill
All Over	10,000 gallons	4.75	per 1,000 gallons

2 Inch Meter

First	50,000 gallons	\$ 252.50	Minimum bill
All Over	50,000 gallons	4.75	per 1,000 gallons

4 Inch Meter

First	100,000 gallons	\$ 490.00	Minimum bill
All Over	100,000 gallons	4.75	per 1,000 gallons